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17	UNITED STATES DISTRICT COURT	
18	NORTHERN DISTRICT OF CALIFORNIA	
19	SAN FRANCISCO DIVISION	
20		
21	ST. FRANCIS MEMORIAL HOSPITAL) AND FRANKLIN BENEVOLENT) CORPORATION f/k/a DAVIES MEDICAL)	No. CV 08-1440 MMC JOINT STATUS REPORT
22	CENTER,	JOINT STATUS REPORT
23	Plaintiffs,	AND ORDER THEREON
24	v.)	
25	KATHLEEN SEBELIUS, Secretary,	
26	U.S. Department of Health and Human Services,	
27	Defendant.	
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The Court's Order entered on December 2, 2011 (docket entry no. 38) directed the parties to file a Joint Status Report no later than January 17, 2012. The parties, by and through their undersigned counsel, respectfully submit this Joint Status Report.

- 1. In their previous Joint Status Reports, the parties have advised this Court that:
- (a) The Provider Reimbursement Review Board ("PRRB") had issued its decision dated January 26, 2009 in the case of Quality 89-92 Hospital Based SNF, Group Appeal No. 98-1376G (the "Group Appeal"). See Docket Entry Nos. 30, 31, 33, 34, 35, 36, 37 (all advising this Court of this development).
- (b) In a decision dated March 20, 2009, the Administrator of the Centers for Medicare and Medicaid Services reversed the decision of the PRRB. The March 20, 2009 decision of the Administrator of the Centers for Medicare and Medicaid Services constituted the final decision of the Secretary regarding the Group Appeal. See 42 U.S.C. § 139500(f). See Docket Entry Nos. 31, 33, 34, 35, 36, 37 (advising the Court of this development).
- (c) The hospitals participating in the Group Appeal, which include the Plaintiffs in the instant case (but for different fiscal years than in the instant case), filed a Complaint in the United States District Court for the District of Columbia on April 6, 2009, as amended on April 9, 2009. Glendale Memorial Hospital and Health Center *et al.* v Sebelius, Case No. 1:09-cv-637 (D.D.C. 2009) ("Glendale Memorial Hospital"). See Docket Entry Nos. 31, 33, 34, 35, 36, 37 (advising the Court of this development).
- (d) The parties ultimately settled the <u>Glendale Memorial Hospital</u> District of Columbia case and on September 15, 2011, they filed a Stipulation of Settlement and Dismissal which was incorporated into an Order the Court entered on October 11, 2011. <u>See Glendale Mem'l Hosp.</u> and Health Ctr., *et al.*, v. Sebelius, Case No. 1:09CV00637 (D.D.C. 2009), Docket Entry Nos. 43 and 44.
- (e) On or about November 15, 2011, the settlement agreement in the <u>Glendale Memorial</u> Hospital action was fully implemented. See Docket Entry No. 37.
- 2. On November 23, 2011, the parties to this action filed a Joint Status Report in which they reminded the Court of all of these developments. See Docket Entry No. 37. The parties however requested "the opportunity to confer further, which may include exploring potential settlement,"

and to file a further Joint Status Report with the Court no later than January 15, 2012, informing the Court of their proposed case management plan." Id. at 4, ¶ 5.

- 3. In an order dated December 2, 2011, the Court granted the parties' request that they be given an opportunity to confer further and to thereafter file another Joint Status Report, and directed the parties to file a Joint Status Report no later than January 17, 2012. See Docket Entry No. 38.
- 4. The Plaintiffs have submitted a settlement proposal to the Defendant. The Defendant requires additional time to complete its review and to respond to the Plaintiffs regarding the settlement proposal. Accordingly, the parties jointly request that they be given an additional thirty one (31) days, through February 17, 2012, within which time the Defendant can complete its review of and respond to the Plaintiffs regarding the settlement proposal. At the conclusion of that 31-day period, the parties are prepared to submit a Joint Status Report advising the Court of the status of their settlement negotiations. If, before February 17, 2012, either party reasonably believes that settlement will not be achieved, it shall notify the other party and within the earlier of five days thereafter or February 17, 2012 the parties shall file a Joint Status Report advising the Court of that fact and submit a proposed case management plan.

The filer of this document, attests that concurrence in the filing of this document has been obtained from each of the other signatories.

Respectfully submitted,

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6 7	Attorneys for Plaintiffs	Attorneys for Federal Defendant
8	Dated: January 17, 2012	Dated: January 17, 2012
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12	ORDER	
13 14	Good cause appearing, the Court hereby GRANTS the parties' joint request that they be given an additional thirty-one (31) days, through February 17, 2012, to file a Joint Status Report.	
15 16	IT IS SO ORDERED.	
17	Dated: January 23, 2012	Mafine M. Cheken United States District Judge
18		Un ted States District Judge
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